

OPEN MEETING ITEM

COMMISSIONERS
GARY PIERCE - Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS



0000135438

RECEIVED

2012 MAR 28 A 9:34

AZ CORP COMMISSION
DOCKET CONTROL

ORIGINAL

ARIZONA CORPORATION COMMISSION

DATE: MARCH 28, 2012
DOCKET NO.: W-02500A-10-0382
TO ALL PARTIES:

Enclosed please find the recommendation of Administrative Law Judge Jane L. Rodda. The recommendation has been filed in the form of an Opinion and Order on:

GOODMAN WATER COMPANY
(CORRECTING CLERICAL ERROR IN DECISION NO. 72897
NUNC PRO TUNC)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by 4:00 p.m. on or before:

APRIL 6, 2012

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Open Meeting to be held on:

APRIL 24, 2012 and APRIL 25, 2012

For more information, you may contact Docket Control at (602)542-3477 or the Hearing Division at (602)542-4250. For information about the Open Meeting, contact the Executive Director's Office at (602) 542-3931.

Arizona Corporation Commission

DOCKETED

MAR 28 2012

DOCKETED BY

ms

ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

1200 WEST WASHINGTON STREET, PHOENIX, ARIZONA 85007-2927 / 400 WEST CONGRESS STREET, TUCSON, ARIZONA 85701-1347
www.azcc.gov

This document is available in alternative formats by contacting Shaylin Bernal, ADA Coordinator, voice phone number 602-542-3931, E-mail SABernal@azcc.gov

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 COMMISSIONERS

3 GARY PIERCE, Chairman
4 BOB STUMP
5 SANDRA D. KENNEDY
6 PAUL NEWMAN
7 BRENDA BURNS

8 IN THE MATTER OF THE APPLICATION OF
9 GOODMAN WATER COMPANY, AN ARIZONA
10 CORPORATION, FOR (i) A DETERMINATION
11 OF THE FAIR VALUE OF ITS UTILITY PLANT
12 AND PROPERTY AND (ii) AN INCREASE IN ITS
13 WATER RATES AND CHARGES FOR UTILITY
14 SERVICE BASED THEREON.

DOCKET NO. W-02500A-10-0382

DECISION NO. _____

ORDER CORRECTING CLERICAL
ERROR IN DECISION NO. 72897
NUNC PRO TUNC

11 Open Meeting
12 April 24 and 25, 2012
13 Phoenix, Arizona

14 **BY THE COMMISSION:**

15 * * * * *

16 Having considered the entire record herein and being fully advised in the premises, the
17 Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

18 **FINDINGS OF FACT**

19 1. On February 21, 2012, the Commission issued Decision No. 72897, which approved a
20 Settlement Agreement that contained new rates and charges for Goodman Water Company
21 ("Goodman" or "Company").

22 2. The rates and charges were attached as an exhibit to the Settlement Agreement, which
23 in turn, was attached as Exhibit A to Decision No. 72897, and incorporated therein. The schedule of
24 rates and charges did not identify the break-over points for gallons used when calculating the charges
25 for the 8 inch and 12 inch meters.

26 3. On March 7, 2012, Goodman filed a Motion for Entry of Procedural Order *Nunc Pro*
27 *Tunc* correcting Decision No. 72897 to include the tier break-over points for the 8 inch and 10 inch
28 meters.

4. The Company attached to its Motion revised rate design sheets for each of the three-year phase-in periods to include break-over points for the 8-inch and 12-inch meters as follows:

- 8 inch meters: first tier - 0 to 270,000 gallons, second tier - over 270,000 gallons.
- 12 inch meters: first tier - 0 to 540,000 gallons, second tier - over 540,000 gallons.

5. Goodman reports that it circulated the revised rate design among the parties to this docket and did not receive any objections to the proposed break over points.

6. The omission of the break-over points for these two meter sizes was an inadvertent oversight and should be corrected.

7. In addition to the foregoing, Decision No. 72897 contains another typographical error which was not included in the Company's Motion. At Findings of Fact No. 69, on Pages 20 and 21 of Decision No. 72897, the Order refers to Exhibit B, which is a description of the rate base figures that were adopted in the Settlement Agreement, and consequently, in Decision No. 72897. The exhibits to the Order were mis-labeled, however, such that "EXHIBIT B" was inadvertently attached to the rate design schedule instead of the rate base schedule. Therefore, Decision No. 72897 should also be corrected by deleting "EXHIBIT B" from the rate design attachment, and inserting "EXHIBIT B" on the final page of the attachments, which is Schedule TJC-5.

CONCLUSIONS OF LAW

1. Goodman is a public service corporation within the meaning of Article XV of the Arizona Constitution and A.R.S. §§ 40-285, 40-301, 40-302, and 40-303.

2. The Commission has jurisdiction over Goodman and of the subject matter of the application.

3. Decision No. 72897 should be corrected, *nunc pro tunc*, as discussed herein.

ORDER

IT IS THEREFORE ORDERED that Decision No. 72897 is hereby corrected *Nunc Pro Tunc* at Exhibit A to the Settlement Agreement, attached to the Decision, by including the break-over points for the 8 and 12 inch meters as follows:

8 inch meter	First Tier 0-270,000 gallons
	Second Tier over 270,000 gallons

1 12 inch meter First Tier 0-540,000 gallons
 2 Second Tier over 540,000 gallons

3 IT IS FURTHER ORDERED that Goodman Water Company shall file a conforming rate
 4 schedule within ten business days of the date of this Decision.

5 IT IS FURTHER ORDERED that Decision No. 72897 is hereby corrected *Nunc Pro Tunc* by
 6 deleting "EXHIBIT B" from the rate design schedule and inserting "EXHIBIT B" on the rate base
 7 adjustments, Schedule TJC-5.

8 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

9 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

10
 11
 12 CHAIRMAN

COMMISSIONER

13
 14 COMMISSIONER

COMMISSIONER

COMMISSIONER

15
 16 IN WITNESS WHEREOF, I, ERNEST G. JOHNSON,
 17 Executive Director of the Arizona Corporation Commission,
 18 have hereunto set my hand and caused the official seal of the
 Commission to be affixed at the Capitol, in the City of Phoenix,
 this _____ day of _____ 2012.

19
 20
 21 ERNEST G. JOHNSON
 22 EXECUTIVE DIRECTOR

23
 24 DISSENT _____

25
 26 DISSENT _____

1 SERVICE LIST FOR: GOODMAN WATER COMPANY

2 DOCKET NOS.: W-02500A-10-0382

3

4 Lawrence V. Robertson, Jr.
5 PO Box 1448
6 Tubac, AZ 85646
7 Attorney for Goodman Water Co.

8 Robert J. Metli
9 MUNGER CHADWICK, P.L.C.
10 2398 East Camelback Road, Suite 240
11 Phoenix, Arizona 85016

12 Daniel Pozefsky
13 Chief Counsel
14 RUCO
15 1110 West Washington, Suite 220
16 Phoenix, AZ 85007

17 Lawrence Wawryzniak
18 39485 S. Mountain Shadow Dr.
19 Tucson, AZ 85739

20 James Schoemperlen
21 39695 S. Horse Run Dr.
22 Tucson, AZ 85739

23 Janice Alward, Chief Counsel
24 Legal Division
25 ARIZONA CORPORATION COMMISSION
26 1200 W. Washington Street
27 Phoenix, Arizona 85007

28 Steven Olea, Director
Utilities Division
ARIZONA CORPORATION COMMISSION
1200 W. Washington Street
Phoenix, Arizona 85007

22

23

24

25

26

27

28